# CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM BOARD OF ADMINISTRATION AD HOC BOARD GOVERNANCE COMMITTEE MEETING SUMMARY

February 14, 2006

The Ad Hoc Board Governance Committee met on Tuesday, February 14, 2006, and the following took place.

The Committee continued its discussion on various issues related to Board/Staff Relations and Communication Protocols and Board and Committee Meeting Procedures. The Committee directed staff to memorialize concepts that were discussed, without amending the underlying policies that will ultimately need to be changed. At a later date, the individual policies will be revised to incorporate all of the necessary changes. The Committee reached consensus on several concepts as shown in Attachments 1 and 2.

# Agenda Item 3 – Board/Staff Relations And Communication Protocols

The Committee recommends and I move that the Board approve the concepts as shown in Attachment 1.

# Agenda Item 4 – Board and Committee Meeting Procedures / Code of Ethics

The Committee recommends and I move that the Board approve the concepts for amending the Board's "Rules and Guidelines for the Conduct of Meetings" as shown in Attachment 2.

# <u> Agenda Item 5 – Board Travel</u>

The Committee began discussions on the Board's travel policy. Staff was directed to memorialize the Committee's comments and concepts for the Committee's review and further discussion at the next meeting.

The next meeting of the Committee is scheduled for Monday, March 13, 2006, immediately following the Investment Committee meeting, in Sacramento, California.

### **BOARD/STAFF RELATIONS AND COMMUNICATIONS PROTOCOLS**

- 1. The Chair of each committee shall be briefed by staff prior to each Committee meeting. The Chair is responsible for resolving issues or conflicts related to the scheduling of any additional staff briefings.
- 2. Requests for documents made by individual Board members should be directed to the appropriate committee Chair. Each Chair has the authority to designate one or more staff to handle these requests on behalf of the Chair and to use other processes to handle such requests. Staff shall inform all Board members of any documents provided pursuant to such a request.
- 3. Requests for outside consultants to perform additional work made by individual Board members should be directed to the appropriate committee chair or to the Board President.
- 4. For specific agenda items, individual Board members should direct questions to the highest-ranking executive who signed the item or, if appropriate, to the outside consultant who signed the consultant report accompanying the item.
- 5. Individual Board members shall not participate in routine staff meetings or other staff activities unless specifically requested by a staff member. Such invitation shall be transmitted through the Chief Executive Officer and the Board President.
- 6. Inquiries or correspondence addressed to a Board member, which the Board member wishes to direct to staff for a response or assistance in the preparation of a response, should be forwarded to the Board Services Unit. The Board Services Unit, in conjunction with the Board President's Office, will assign the correspondence or inquiry to the appropriate staff and maintain a tracking system to ensure timely response.
- 7. If a Board member has been assigned a speaking engagement on behalf of CalPERS, any request for staff assistance in preparing the speech should be directed to the Board President or Vice President.
- 8. If a Board member has accepted a speaking engagement outside of a CalPERS assignment (i.e., not assigned by the Board President or Vice President), and needs assistance with the preparation of the speech, the request should be directed to the Board President or Vice President.
- 9. Modify the Board's Governance Principles, under Governing Style, to state the following: "The Board strives to achieve a governing style that emphasizes: ... g. Respect for diversity, recognizing the value of all input."

### **BOARD AND COMMITTEE MEETING PROCEDURES**

# 1. Formation of Subcommittee in Absence of a Quorum

**Proposed Change**: The Committee Chair may, in the absence of the Board President and Vice President, appoint a sub-committee to conduct the business of the committee on the day of the noticed committee meeting.

# 2. Reconsideration Motion

**Proposed Change**: A committee may reconsider its decision to make a specific recommendation to the Board, provided that the Board has not yet taken action on the original recommendation of the committee.

# 3. Collegiality Between Board and Staff

**Proposed Change**: Add a list of specific sanctions or remedies that the Committee Chair may use to maintain appropriate decorum.

# 4. Closed Session Policy

**Proposed Change**: The Board's Closed Session Policy will be updated to reflect amendments to the Open Meeting Act which allow the Board to hold a closed session to consider the "development of rates and competitive strategy" for the Long Term Care program.

# 5. <u>Limitations on Speaking Time</u>

**Proposed Change**: Draft a proposed regulation that will establish a specific time limit for speakers (members of the public) addressing the Board and also give the Chair or Presiding Officer the authority to waive that time limitation under specific circumstances.